



General Assembly

February Session, 2014

***Raised Bill No. 5275***

LCO No. 1001



Referred to Committee on COMMERCE

Introduced by:  
(CE)

***AN ACT CONCERNING THE LEARN HERE, LIVE HERE PROGRAM  
AND BUSINESS CREATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-4i of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 (a) The Commissioner of Economic and Community Development,  
4 in consultation with the Commissioner of Revenue Services and the  
5 president of the Board of Regents for Higher Education, [may] shall  
6 establish the Learn Here, Live Here program. Such program [may]  
7 shall provide an incentive for graduates of a public institution of  
8 higher education, private university or college, or health care training  
9 school in this state, or graduates from a technical high school, to buy a  
10 first home or establish a new business in the state. Persons who  
11 graduate on or after January 1, [2014] 2015, from such institutions,  
12 universities, colleges or schools may have their income tax liability, up  
13 to a maximum of two thousand five hundred dollars annually,  
14 segregated into the [Connecticut first-time homebuyers] Learn Here,  
15 Live Here account established pursuant to section 32-4j, as amended

16 by this act, provided not more than one million dollars from all  
17 program participants may be so segregated in any calendar year. After  
18 a period not exceeding ten years after graduation, any amounts so  
19 segregated may be withdrawn by a participant for the purchase of a  
20 first home or establishment of a new business in the state. The  
21 Commissioner of Economic and Community Development may make  
22 payments in accordance with this section from said fund to the  
23 participants. For the purposes of this section, "health care training  
24 school" means a medical or dental school, chiropractic college, school  
25 or college of optometry, school or college of chiropody or podiatry,  
26 school of occupational therapy, hospital-based occupational school,  
27 school or college of natureopathy, school of dental hygiene, school of  
28 physical therapy or any other school or institution giving instruction in  
29 the healing arts.

30 (b) (1) After a period not exceeding ten years after the date of  
31 graduation, a participant in the program established pursuant to  
32 subsection (a) of this section may apply to the Commissioner of  
33 Economic and Community Development for a payment to be issued,  
34 on behalf of such participant, and used (A) as the down payment on a  
35 house, which must be the first house such participant has bought,  
36 either singly or jointly, or (B) for start-up costs associated with the  
37 establishment of a new business in the state. Such payment may be in  
38 an amount equal to the amount of segregated funds deposited on  
39 behalf of such participant. If the payment is less than such amount, any  
40 excess amount shall be deposited in the General Fund.

41 (2) If a participant ceases to live in the state at any time up to one  
42 year after such date, such participant shall repay one hundred per cent  
43 of the amount paid out. If a participant ceases to live in the state at any  
44 time up to two years after such date, such participant shall repay  
45 eighty per cent of the amount paid out. If a participant ceases to live in  
46 the state at any time up to three years after such date, such participant  
47 shall repay sixty per cent of the amount paid out. If a participant ceases  
48 to live in the state at any time up to four years after such date, such

49 participant shall repay forty per cent of the amount paid out. If a  
50 participant ceases to live in the state at any time up to five years after  
51 such date, such participant shall repay twenty per cent of the amount  
52 paid out. After five years, there is no repayment obligation. Any  
53 amounts repaid under this subdivision shall be deposited in the  
54 General Fund.

55 (c) On or before December 1, [2012] 2014, the Commissioner of  
56 Economic and Community Development may develop, within  
57 available appropriations, a comprehensive public education program  
58 to educate recent graduates of a public institution of higher education,  
59 private university or college, or health care training school in the state,  
60 or of a technical high school, about the program established under this  
61 section. [for first-time home buyers.] The public education program  
62 shall include, but not be limited to, information concerning (1) life-time  
63 savings plans, [and information on] (2) the purchase of a home, and (3)  
64 the establishment of a new business. If the commissioner develops  
65 such public education program, the department shall begin to  
66 implement such public education program not later than January 1,  
67 [2014] 2015.

68 Sec. 2. Section 32-4j of the general statutes is repealed and the  
69 following is substituted in lieu thereof (*Effective July 1, 2014*):

70 There is established a [Connecticut first-time homebuyers] Learn  
71 Here, Live Here account which shall be a separate, nonlapsing account  
72 within the General Fund. Funds segregated by the Commissioner of  
73 Revenue Services, pursuant to section 32-4k, as amended by this act,  
74 shall be deposited in the account. An amount equal to the amount  
75 deposited in the account shall be available to the Commissioner of  
76 Economic and Community Development for payments to participants  
77 in the program established pursuant to section 32-4i, as amended by  
78 this act. The State Treasurer shall invest the proceeds of the account,  
79 and investment earnings, after paying any costs incurred by the State  
80 Treasurer in administering the account, shall be credited to the General

81 Fund. On or before September 1, [2014] 2015, and annually thereafter,  
 82 the State Treasurer shall notify the Commissioner of Economic and  
 83 Community Development of the total amount deposited in the  
 84 account. Any funds segregated on behalf of a participant that are not  
 85 used for the purchase of a first home or the establishment of a new  
 86 business in the state shall be transferred to the General Fund.

87 Sec. 3. Section 32-4k of the general statutes is repealed and the  
 88 following is substituted in lieu thereof (*Effective July 1, 2014*):

89 As part of the Learn Here, Live Here program established pursuant  
 90 to section 32-4i, as amended by this act, for taxable years commencing  
 91 on or after January 1, [2014] 2015, the Commissioner of Revenue  
 92 Services shall segregate the income taxes paid by a participant in said  
 93 program during a period not exceeding ten taxable years following the  
 94 year of graduation. Upon the request of such participant, the  
 95 commissioner shall segregate an annual amount of such tax liability,  
 96 up to a maximum of two thousand five hundred dollars per year. The  
 97 total amount segregated for all program participants shall not exceed  
 98 one million dollars in any calendar year. The commissioner shall  
 99 deposit such segregated amounts into the [Connecticut first-time  
 100 homebuyers] Learn Here, Live Here account established pursuant to  
 101 section 32-4j, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014</i>	32-4i
Sec. 2	<i>July 1, 2014</i>	32-4j
Sec. 3	<i>July 1, 2014</i>	32-4k

***Statement of Purpose:***

To require the Commissioner of Economic and Community Development to establish the Learn Here, Live Here program, and allow funds from such program to be applied to the establishment of a new business in the state by participants in such program.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*